

**ND ASSOCIATION OF COUNTIES**  
**NDACo FUND**  
**State Investment Board**  
**Balance Sheet**  
**As of 6/30/2003**

	As of <u>6-30-03</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 110,285	\$ 96,766
INTERNATIONAL EQUITIES	28,077	26,669
DOMESTIC FIXED INCOME	121,076	119,935
INVESTED CASH (NOTE 1)	<u>13,800</u>	<u>13,589</u>
 TOTAL INVESTMENTS	 273,238	 256,959
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	961	1,155
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>32,147</u>	<u>29,199</u>
 TOTAL ASSETS	 <u>\$ 306,346</u>	 <u>\$ 287,313</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	402	449
SECURITIES LENDING COLLATERAL (NOTE 2)	<u>32,147</u>	<u>29,199</u>
 TOTAL LIABILITIES	 32,549	 29,648
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	257,665	271,137
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>16,132</u>	<u>(13,472)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>273,797</u>	 <u>257,665</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 306,346</u>	 <u>\$ 287,313</u>

**ND ASSOCIATION OF COUNTIES  
NDACo FUND  
State Investment Board  
Profit and Loss Statement  
For the Month Ended 6/30/2003**

	Month Ended <u>6-30-03</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 781	\$ 9,275
SECURITIES LENDING INCOME	40	540
	<u>821</u>	<u>9,815</u>
 GAIN ON SALE OF INVESTMENTS	 1,923	 15,972
LOSS ON SALE OF INVESTMENTS	<u>2,637</u>	<u>25,895</u>
 NET GAINS (LOSSES) INVESTMENTS	 (714)	 (9,923)
 INVESTMENT EXPENSES	 230	 1,672
SECURITIES LENDING EXPENSES	<u>33</u>	<u>457</u>
 NET INVESTMENT INCOME	 (156)	 (2,237)
 NET APPREC (DEPREC) MARKET VALUE	 1,999	 18,364
MISCELLANEOUS INCOME/(EXPENSE)	<u>0</u>	<u>5</u>
 TOTAL INVESTMENT INCOME	 <u>1,843</u>	 <u>16,132</u>
 NET INCREASE (DECREASE)	 <u>\$ 1,843</u>	 <u>\$ 16,132</u>

**ND ASSOCIATION OF COUNTIES**  
**NDACo FUND**  
**Notes To Financial Statements**  
**June 30, 2003**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 2**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 3**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.